

The minutes set forth are an unofficial copy of this month's Board meeting minutes. For an official (signed) copy, please contact the Authority.

IOWA FINANCE AUTHORITY BOARD MEETING MINUTES

**Baymont Inn and Suites
1220 Park Place NE
Cedar Rapids, Iowa 52402**

September 7, 2005

BOARD MEMBERS PRESENT

Carmela Brown, Treasurer
Steve Adams (via telephone)
Virginia Bordwell

Heather Kramer
Douglas Walter
Dick Wright

STAFF MEMBERS PRESENT

Laura Abbott, Housing Grants Specialist (via Telephone)
Jennifer Amodeo, Secretary
Lori Beary, Community Development Finance Officer
Mickey Carlson, Single Family Program Manager (via telephone)
Donna Davis, Deputy Director, Director Housing Programs (via telephone)
Dennis Dietz, Director of Policy and Governmental Affairs
Steven Harvey, Director of Operations (via telephone)
Craig Johnson, Financial Analyst/Underwriter (via telephone)

Shawna Lode, Communications Director
Tim Morlan, Underwriter (via telephone)
Sharon Murphy, Housing Grants Specialist (via telephone)
Lloyd Ogle, Director, Title Guaranty Division
Carla Pope, Service Enriched Housing Director
Tracy Scebold, State Revolving Fund Manager
James Smith, CFO/Deputy Director/General Counsel
Tim Waddell, Tax Credit Manager (via telephone)
Nancy Wallis, Administrative Assistant (via Telephone)
Vicky Winter-Clearman, Legal Secretary

OTHERS PRESENT

John Bunz – Ahlers & Cooney Law Firm
Mike Carver
Jim Conlin – Conlin Properties
Dan Garrett – Iowa Equity Fund
David Grossklaus – Dorsey & Whitney

Dan O'Connell – Cardinal Capital Management – Midwest Affordable Housing Corporation
Joe O'Hern – Fannie Mae
Bryan J. Wong – The American Homeownership Foundation

CALL TO ORDER

Treasurer Brown called to order the September 7, 2005 meeting of the Iowa Finance Authority (IFA) Board of Directors at 1:00 p.m. Roll call was taken and a quorum was established with the following members present: Brown, Bordwell, Kramer, Walter, and Wright.

Treasurer Brown thanked Ms. Kramer and those from the Cedar Rapids and Marion areas who attended the tour of Authority sponsored affordable housing projects prior to the Board meeting.

REVIEW AND APPROVAL OF MINUTES

August 3, 2005

Treasurer Brown introduced the minutes of the August 3, 2005 meeting of the Iowa Finance Authority Board of Directors.

MOTION: On a motion by Ms. Bordwell and a second by Mr. Walter, the Board unanimously approved the minutes of the August 3, 2005 meeting.

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REVIEW AND APPROVAL OF MINUTES

August 3, 2005

Treasurer Brown introduced the minutes of the August 3, 2005 meeting of the Iowa Finance Authority Board of Directors.

MOTION: On a motion by Ms. Bordwell and a second by Mr. Walter, the Board unanimously approved the minutes of the August 3, 2005 meeting.

ADMINISTRATION/MANAGEMENT REPORT

Mr. James Smith made a brief report in Mr. Mills' absence. He said work continues on the website identifying housing available for the evacuees displaced due to Hurricane Katrina. Mr. Smith stated the website address is housinginiowa.org or housinginiowa.com. He said Mr. Mark Thompson, hired as General Counsel, will assume the duties of the position on Monday.

Mr. Adams joined the meeting via telephone at 1:05 p.m.

LEGAL / REGULATORY

Final Action Re: 265 IAC Chapter 23; Transitional Housing Revolving Loan Fund Program

Ms. Pope introduced the Final Action Re: 265 IAC Chapter 23, Transitional Housing Revolving Loan Fund Program. She said the public hearing was held in August and there were no public comments.

MOTION: Mr. Wright made a motion approving the Final Action Re: 265 IAC Chapter 23, Transitional Housing Revolving Loan Fund Program. On a second by Ms. Bordwell, the Board unanimously approved the Final Action Re: 265 IAC Chapter 23, Transitional Housing Revolving Loan Fund Program.

Final Action Re: 265 IAC Chapter 24; Home and Community Based Service Rent Subsidy Program

Ms. Pope introduced the Final Action Re: 265 IAC Chapter 24, Home and Community Based Services Rent Subsidy Program. She said the public hearing was held in August and numerous comments were received regarding the receipt of information regarding clients participating in the program. Ms. Pope stated the rules were drafted using the term "legal guardian". She said the term "representative payee" was requested, however after careful consideration it was suggested the term be changed to "legal representative" as the person who would receive notice of renewals, etc. for the client in the program. She said the term legal representative will be used in place of the term legal guardian.

MOTION: Ms. Bordwell made a motion approving the Final Action Re: 265 IAC Chapter 24, Home and Community Based Service Rent Subsidy Program with the inclusion of the term legal representative. On a second by Mr. Wright, the Board unanimously approved the Final Action Re: 265 IAC Chapter 24, Home and Community Based Service Rent Subsidy Program with the inclusion of the term legal representative.

Resolution Re: Termination of Notice for 265 IAC Chapter 19; and Approval of Interagency Agreement with IDIED

Mr. Smith introduced the Resolution Re: Termination of Notice for 265 IAC Chapter 19, and Approval of Interagency Agreement with IDIED. He said the Authority is withdrawing the notice of intended action as there will not be a 2006 allocation round for the State Housing Trust Fund. Mr. Smith stated instead the Authority will enter into an interagency agreement with IDIED and use the existing program terms to fund project based awards.

Mr. Wright inquired as to the funding level for the 2005 State Housing Trust Fund.

Ms. Davis stated \$1,080,000 was approved for the State Housing Trust Fund in 2005. She said not all of the funds have been allocated, but the total amount for both 2004 and 2005 was \$3,400,000. Ms. Davis stated there was no appropriation for 2005.

MOTION: Mr. Adams made a motion approving the Resolution Re: Termination of Notice for 265 IAC Chapter 19, and Approval of Interagency Agreement with IDIED. On a second by Mr. Walter, the Board unanimously approved the Resolution Re: Termination of Notice for 265 IAC Chapter 19, and Approval of Interagency Agreement with IDIED.

Notice of Intended Action Re: 265 IAC Chapter 3; Multifamily Loan Program

Mr. Smith introduced the Notice of Intended Action Re: 265 IAC Chapter 3, Multifamily Loan Program. He said the amended rules will permit a loan term of up to 40 years and a second mortgage loan with a principal amount of up to 50% of the first loan amount.

MOTION: Ms. Bordwell made a motion approving the Notice of Intended Action Re: 265 IAC Chapter 3, Multifamily Loan

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Program. On a second by Ms. Kramer, the Board unanimously approved the Notice of Intended Action Re: 265 IAC Chapter 3, Multifamily Loan Program.

Notice of Intended Action Re: 265 IAC Chapter 26; Water Pollution Control Works and Drinking Water Facilities Financing

Ms. Lori Beary introduced the Notice of Intended Action Re: 265 IAC Chapter 26, Water Pollution Control Works and Drinking Water Facilities Financing. She said Authority staff worked with the DNR to revise the rules with any portion of the rules regarding the finances of the program consolidated and organized for inclusion in the Authority's rules. Ms. Beary said the responsibilities of the SRF program are split between the DNR and the Authority with the Authority responsible for the financial aspects of the program and the DNR responsible for the engineering and permitting functions. Ms. Beary stated it is anticipated final action on the rules will be brought to the Board at the November meeting.

MOTION: Mr. Walter made a motion approving the Notice of Intended Action RE: 265 IAC Chapter 26, Water Pollution Control Works and Drinking Water Facilities Financing. On a second by Mr. Wright, the Board unanimously approved the Notice of Intended Action Re: 265 IAC Chapter 26, Water Pollution Control Works and Drinking Water Facilities Financing.

FINANCE AND ACCOUNTING

Finance Update

Mr. Harvey stated revenues were \$94,823 unfavorable to budget due to a \$128,000 shortfall in Title Guaranty fees. He said interest income was favorable to budget due to purchases of MBS exceeding budget. Mr. Harvey stated expenses were unfavorable to budget by \$147,658 due primarily to interest expense exceeding budget. He said most other expenses were under budget.

Mr. Harvey stated revenue for the State Revolving Fund was unfavorable to budget by \$3.9 million due to the continued suspension of EPA capitalization grants until the state match is funded. He said a resolution was passed at the July 6, 2005 Board meeting to issue bond anticipation notes for this purpose. Mr. Harvey stated the uncommitted fund balance is \$37.3 million.

Approval of Financial Statement

MOTION: Mr. Adams made a motion approving the July 2005 financial statement. On a second by Mr. Walter, the Board unanimously approved the July 2005 financial statement.

Resolution Authorizing Single Family Mortgage Bonds 2005 Series F, G, H

Mr. Smith introduced the Resolution Authorizing Single Family Mortgage Bonds 2005 Series F, G, H. He said the total principal amount is not anticipated to exceed approximately \$70,000,000 with the expected issue size of approximately \$60,000,000. Mr. Smith stated the tax-exempt variable bonds of approximately \$20,000,000 will be issued with an associated swap in order to synthetically fix the rate (similar to the Authority's prior variable rate bonds). He said the proceeds of this issue will fund approximately \$60,000,000 in new mortgage loans under the FirstHome Program. Mr. Smith stated the anticipated pricing of the bonds will occur in early October with the anticipated closing of the issue in November.

MOTION: Ms. Bordwell made a motion approving the Resolution Authorizing Single Family Mortgage Bonds 2005 Series F, G, H. On a second by Mr. Wright, the Board unanimously approved the Resolution Authorizing Single Family Mortgage Bonds 2005 Series F, G, H.

Resolution Regarding IFA's Safe Deposit Box

Mr. Smith introduced the Resolution Regarding the Authority's Safe Deposit Box. He said authorized signers who are permitted access are listed on the signature capture.

MOTION: Mr. Wright made a motion authorizing the Resolution Regarding IFA's Safe Deposit Box. On a second by Ms. Kramer, the Board unanimously approved the Resolution Regarding IFA's Safe Deposit Box.

**COMMUNITY / ECONOMIC DEVELOPMENT
/STATE REVOLVING FUND (SRF) PROGRAM**

ED Loan #05-12, Jennie Edmundson Hospital

Ms. Beary introduced the application for \$1,491,632 for Jennie Edmundson Hospital in Council Bluffs. She said the bonds will be used to lease purchase an MRI system and associated remodeling costs. Ms. Beary stated the project will not require Private Activity Bond Cap.

Resolution #05-12A

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MOTION: Mr. Walter made a motion approving the application for \$1,491,632 maximum principal amount of financing by Iowa Finance Authority for Jennie Edmundson Memorial Hospital (the "Borrower") and evidencing the intent to proceed with such financing. On a second by Mr. Adams, the Board unanimously approved Resolution #05-12A.

ED Loan #05-13, Midwest Affordable Housing Corp. /Cardinal Capital Management, Inc.

Ms. Beary introduced an application for \$4,750,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for the Spring Village Project in Davenport. She said the bonds will be used to purchase Spring Village, a project based Section 8 property, consisting of 120-units for seniors. Ms. Beary stated the borrowers are Midwest Affordable Housing Corp and Cardinal Capital Management from Wisconsin. She said the project will not require Private Activity Bond Cap.

Resolution #05-13A

MOTION: Ms. Bordwell made a motion approving the application for \$4,750,000 Iowa Finance Authority Multifamily Housing Revenue Bonds (Spring Village Project), Series 2005 for Midwest Affordable Housing Corp./Cardinal Capital Management, Inc. and evidencing the intent to proceed with the issuance of \$4,750,000 Multifamily Housing Revenue Bonds. On a second by Mr. Walter, the Board unanimously approved Resolution #05-13A.

ED Loan #05-14, Trinity Health

Ms. Beary introduced the application for \$25,000,000 of Iowa Finance Authority Hospital Revenue Bonds for Trinity Health. She said the bonds will be used for the renovation and expansion of facilities in Clinton, New Hampton, Mason City, Charles City and Sioux City and for the purchase of equipment. Ms. Beary stated the project will not require Private Activity Bond Cap.

Resolution #05-14A

MOTION: Mr. Wright made a motion approving the application for \$25,000,000 Iowa Finance Authority Hospital Revenue Bonds (Trinity Health Corporation Project), Series 2005 for Trinity Health Corporation (Trinity Credit Group) (the "Borrower") and evidencing the intent to proceed with the issuance of \$25,000,000 Hospital Revenue Bonds. On a second by Ms. Bordwell, a vote was taken with the following results: YES – Adams, Bordwell, Kramer, Walter, and Wright. NO – None; ABSTAIN – Brown, who stated a conflict of interest as the state lobbyist for Trinity Health Corporation. (See attached letter). The Board approved Resolution #05-14A on a majority vote.

ED Loan #05-15, ChildServe

Ms. Beary introduced the application for \$23,000,000 of Iowa Finance Authority Health Care Facility Revenue Bonds for ChildServe in Johnston. She said the bonds will be used for the renovation of two existing buildings and the construction of seven group homes and to refund bonds issued in 2002. Ms. Beary stated the project will not require Private Activity Bond Cap.

Resolution #05-15A

MOTION: Mr. Wright made a motion approving an application for \$23,000,000 Iowa Finance Authority Health Care Facility Revenue Bonds (ChildServe, Inc. Project), Series 2005 for ChildServe, Inc. (the "Borrower") and evidencing the intent to proceed with the issuance of \$23,000,000 Health Care Facility Revenue Bonds. On a second by Ms. Kramer, the Board unanimously approved Resolution #05-15A.

ED Loan #05-16, CCV I, LLC and Doudna Project

Ms. Beary introduced the application for \$1,090,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for CCV I, LLC and Doudna Project in West Des Moines. She said the bonds will be used for the purchase and rehabilitation of a 2-building 16-unit townhome complex, part of Country Club Village. Ms. Beary stated the project will require Private Activity Bond Cap.

Resolution #05-16A

MOTION: Mr. Walter made a motion approving the application for \$1,090,000 Iowa Finance Authority Multifamily Housing Revenue Bonds (CCV I, LLC and Doudna Project), Series 2005 for CCV I, LLC, Donald J. Doudna and Janice R. Doudna (collectively the "Borrower") and evidencing the intent to proceed with the issuance of \$1,090,000 multifamily housing revenue

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bonds. On a second by Ms. Bordwell, the Board unanimously approved Resolution #05-16A.

ED Loan #05-17, CCV I, LLC

Ms. Beary introduced the application for \$13,695,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for CCV I, LLC in West Des Moines. She said the bonds will be used for the purchase and rehabilitation of an 11-building, 294-unit apartment complex currently known as Country Club Village. Ms. Beary stated the project will require Private Activity Bond Cap.

Resolution #05-17A

MOTION: Mr. Wright made a motion approving the application for \$13,695,000 Iowa Finance Authority Multifamily Housing Revenue Bonds (CCV I, LLC and Doudna Project), Series 2005 for CCV I, LLC, Donald J. Doudna and Janice R. Doudna (collectively the "Borrower") and evidencing the intent to proceed with the issuance of \$13,695,000 Multifamily Housing Revenue Bonds. On a second by Ms. Bordwell the Board unanimously approved Resolution #05-17A.

ED Loan #05-19, West Des Moines Housing Associates

Ms. Beary introduced the application for \$8,900,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for West Des Moines Housing Associates. The bonds will be used to construct a 168-unit apartment complex in West Des Moines. This project will require Private Activity Bond Cap.

Resolution #05-19A

MOTION: Mr. Wright made a motion approving the application for \$8,900,000 Iowa Finance Authority Multifamily Housing Revenue Bonds (West Des Moines Housing Associates Limited Partnership Project), Series 2005 for West Des Moines Housing Associates Limited Partnership (the "Borrower") and evidencing the intent to proceed with the issuance of \$8,900,000 Multifamily Housing Revenue Bonds. On a second by Mr. Adams, the Board unanimously approved Resolution #05-19A.

Public Hearing for Mississippi Housing Partners

Ms. Beary asked the Authority to hold a public hearing at 1:00 p.m. regarding the issuance of an amount not to exceed \$6,200,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for Mississippi Housing Partners. She said the bonds will be used for the acquisition and rehabilitation of the Mississippi Hotel. Ms. Beary stated the proposed development will have 56 mixed income units in downtown Davenport.

Public Hearing

Treasurer Brown opened the public hearing at 1:36 p.m. regarding the issuance of not to exceed \$6,200,000 Iowa Finance Authority Multifamily Housing Revenue Bonds (Mississippi Housing Partners, LP Project), Series 2005. Mr. Smith said the Authority had received no verbal or written comments regarding the project. There being no verbal or written comments from the audience, Treasurer Brown closed the public hearing at 1:37 p.m.

ED Loan #05-07, Mississippi Housing Partners

Ms. Beary introduced the resolution to amend the original amount in the application to \$6,200,000 and to authorize the issuance of Iowa Finance Authority Multifamily Housing Revenue Bonds for Mississippi Housing Partners, LP in Davenport. She said the inducement resolution was adopted on July 6, 2005. Ms. Bear stated the project will require Private Activity Bond Cap.

Resolution #05-07B

MOTION:

Mr. Walter made a motion approving the resolution amending the original amount of the application to \$6,200,000 and to authorize the issuance of Iowa Finance Authority Multifamily Housing Revenue Bonds for Mississippi Housing Partners, LP in Davenport. On a second by Ms. Bordwell, the Board unanimously approved Resolution #05-07B.

Public Hearing for City Carton

Ms. Beary asked the Authority to hold a public hearing at 1:00 p.m. regarding the issuance of an amount not to exceed \$2,000,000 of

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Iowa Finance Authority Industrial Development Revenue Bonds for City Carton Company, Inc. She said the bonds will be used to purchase equipment and to upgrade facilities used in recycling paper, cardboard, plastic, metal and glass. Ms. Beary stated City Carton facilities are located in Cedar Falls, Davenport, Cedar Rapids, Iowa City, Mt. Pleasant, Muscatine, Creston and Altoona.

Public Hearing

Treasurer Brown opened the public hearing at 1:38 p.m. regarding the issuance of an amount not to exceed \$2,000,000 of Iowa Finance Authority Industrial Development Revenue Bonds for City Carton Company, Inc. Mr. Smith said the Authority had received no verbal or written comments regarding the project. There being no verbal or written comments from the audience, Treasurer Brown closed the public hearing at 1:39 p.m.

ED Loan #05-10, City Carton Company, Inc.

Ms. Beary introduced the resolution for \$2,000,000 of Iowa Finance Authority Industrial Development Revenue Bonds for City Carton Company, Inc. in Iowa City. She said the inducement resolution was adopted on August 3, 2005. Ms. Beary stated the project will require Private Activity Bond Cap.

Resolution #05-10B

MOTION: Mr. Adams made a motion approving the authorizing resolution for \$2,000,000 of Iowa Finance Authority Industrial Development Revenue Bonds for City Carton Company, Inc. in Iowa City. On a second by Ms. Bordwell, the Board unanimously approved Resolution #05-10B.

E911 Authorizing Resolution – Woodbury County

Mr. Smith introduced the E911 Authorizing Resolution for Woodbury County. He said the resolution authorized the sale of a \$2,500,000 E911 Telephone Surcharge Revenue Note for Woodbury County.

MOTION: Ms. Bordwell made a motion approving the E911 Authorizing Resolution for Woodbury County authorizing the sale of a \$2,500,000 E911 Telephone Surcharge Revenue Note (Woodbury County E911 Service Board Project), Series 2005, and authorizing and approving the execution and delivery of related documents and delegating certain responsibilities to the executive director for approving the final terms of the Series 2005 note and the forms and content of the related financing documents. On a second by Mr. Walter, the Board unanimously approved the E911 Authorizing Resolution – Woodbury County.

State Revolving Fund

Resolution Authorizing the Issuance of Bonds for State Match

Ms. Beary introduced the Resolution Authorizing the Issuance of Bonds for the State Match. She said the board adopted a resolution allowing for the issuance of short term notes for the state match for 2003 and 2004 Clean Water cap grants and the 2004 and 2005 Drinking Water cap grants. Ms. Beary stated due to the current interest rates a determination had been made that the issuance of a longer term bond for the state match makes more sense than the issuance of a shorter term bond. She said the resolution authorizes the issuance of Iowa State Revolving Fund Bonds in an amount not to exceed \$22,500,000 with a final maturity date not to exceed 2015. Ms. Beary stated the repayment for the bonds will be interest payments on existing loans.

MOTION: Ms. Kramer made a motion approving the Resolution Authorizing the Issuance of Bonds for State Match in an amount not to exceed \$22,500,000. On a second by Mr. Wright, the Board unanimously approved the Resolution Authorizing the Issuance of Bonds for State Match.

HOUSING PROGRAMS

Single Family

Resolution Re: OurHome Rehabilitation Loans

Mr. Smith introduced the Resolution Re: OurHome Rehabilitation Loans. He said on June 1, 2005 the Board authorized an amount not to exceed \$1,000,000 in loans for the Single Family Rehabilitation Revolving Loan Program to provide low-cost funds for rehabilitation of existing single family homes. Mr. Smith stated three applications were received and two have been recommended for funding. He stated the resolution authorizes an amount not to exceed \$200,000 to the Southeast Iowa Regional Planning Commission

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(SEIRPC) with a maturity date of not to exceed ten years, at an interest rate not to exceed 3.00%. Mr. Smith said the resolution also authorizes an amount not to exceed \$50,000 to the Southern Iowa Council of Governments (SICOG), with a maturity of not to exceed ten years and an interest rate not to exceed 3.00%.

Mr. Wright inquired as to the entity that submitted the third application.

Mr. Smith stated the third application was submitted by a private individual interested in starting a business in this area and it was determined the program would be better served by the two entities selected for the awards. He said the third applicant will be notified of the Authority's decision.

MOTION: Ms. Bordwell made a motion approving the Resolution Re: OurHome Rehabilitation Loans in an amount not to exceed \$200,000 to the Southeast Iowa Regional Planning Commission (SEIRPC) and the Southern Iowa Council of Governments (SICOG) in an amount not to exceed \$50,000. On a second by Mr. Walter, the Board unanimously approved the Resolution Re: OurHome Rehabilitation Loans.

Multifamily

Resolution Re: Mt. Village Multifamily Loan

Mr. Tim Morlan introduced the Resolution Re: Mt. Village Multifamily Loan. He said Mt. Village consists of two Section 202 properties that are located next to each other. Mr. Morlan stated Mt. Village I Apartments was built in 1982 and consists of 50 units and Mt. Village II Apartments was built in 1992 and consists of 30 units. He said the two projects have had unstable occupancy for several years due to poor management and lack of repairs. Mr. Morlan stated the proposed loan to the American Homeownership Foundation ("TAHF") will be an amount not to exceed \$2,000,000 for a term of 30 years at the rate of 6.50%. He said the debt service coverage ratio is 1:30:1 for the first mortgage.

MOTION: Mr. Walter made a motion approving the Resolution Re: Mt. Village Multifamily Loan in an amount not to exceed \$2,000,000 for a term of 30 years at 6.50%. On a second by Ms. Bordwell, the Board unanimously approved the Resolution Re: Mt. Village Multifamily Loan.

Mr. Bryan Wong, Executive Director of the American Homeownership Foundation spoke briefly and thanked the Board for their consideration.

Low Income Housing Tax Credit Program

Resolution Re: Waiting List Allocation to Court Avenue Partners II, L.P.

Mr. Smith introduced the resolution and stated the staff recommendation is to table this motion until the October 5, 2005 meeting. He said additional work will be completed by Authority staff before this matter is finalized.

MOTION: Ms. Bordwell made a motion to table the Resolution Re: Waiting List Allocation to Court Avenue Partners II, L.P. On a second by Mr. Wright the Board unanimously approved the motion to table the Resolution Re: Waiting List Allocation to Court Avenue Partners II, L.P.

Housing Assistance Program

Resolution Re: HCBS Loans; Adel Assisted Living Apartments

Mr. Smith introduced the Resolution Re: HCBS Loan, Adel Assisted Living Apartments and said at the March 2, 2005 Board meeting the Board approved a loan in an amount not to exceed \$600,000 to the Owner from the HCBS fund. He said this resolution amends the loan to the general partner of the owner, Community Housing Initiatives (CHI), in an amount not to exceed \$600,000 with a maturity of not to exceed twenty years at an interest rate not to exceed 1.00%.

MOTION: Mr. Walter made a motion approving the Resolution Re: HCBS Loan, Adel Assisted Living Apartments in an amount not to exceed \$600,000, with a maturity of not to exceed twenty years at an interest rate not to exceed 1.00% to the general partner of the owner, Community Housing Initiatives (CHI). On a second by Ms. Kramer, the Board unanimously approved the Resolution Re: HCBS Loans, Adel Assisted Living Apartments.

Grants

Resolution Re: Technical Assistance Grant to Iowa Coalition for Housing and the Homeless

Ms. Davis introduced the Resolution Re: Technical Assistance Grant to Iowa Coalition for Housing and the Homeless. She said as part of the 2006 Budget, the Board included up to \$200,000 in grant funds for housing program, including up to \$40,000 for technical assistance. Ms. Davis stated the Authority received an application for the grant funds and the resolution authorizes an award of \$40,000 to the Iowa Coalition for Housing and the Homeless. She referred to the memo included in the Board materials.

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Ms. Bordwell suggested the purpose of the funds be clearly stated in each resolution.

MOTION: Ms. Bordwell made a motion approving the Resolution Re: Technical Assistance Grant to Iowa Coalition for Housing and the Homeless in the amount of \$40,000 with the term technical assistance included in the resolution. On a second by Mr. Walter, a vote was taken with the following results: YES – Brown, Bordwell, Kramer, Walter, and Wright. NO – None; ABSTAIN – Adams, who stated a conflict of interest as a result of his employment with the Iowa State University Extension Service. (See attached letter). The Board approved the resolution on a majority vote.

Resolution Re: Capacity Building Grant to Iowa Coalition for Housing and the Homeless

Ms. Davis introduced the Resolution Re: Capacity Building Grant to Iowa Coalition for Housing and the Homeless. She said this resolution authorizes an award of up to \$150,000 over a two year period to the Iowa Coalition for Housing and the Homeless for capacity building to assist with the formation and development of local housing trust funds.

MOTION: Mr. Walter made a motion approving the Resolution Re: Capacity Building Grant to the Iowa Coalition for Housing and the Homeless in the amount of \$150,000 to be used for capacity building to assist with the formation and development of local housing trust funds. On a second by Mr. Walter, a vote was taken with the following results: YES – Brown, Bordwell, Kramer, Walter, and Wright. NO – None; ABSTAIN – Adams, who stated a conflict of interest as a result of his employment with the Iowa State University Extension Service. (See attached letter). The Board approved the resolution on a majority vote.

TITLE GUARANTY DIVISION (TGD)

Mr. Loyd Ogle referred to the charts included in the Board materials and updated the Board on upcoming events of the Division.

POLICY / LEGISLATION

Mr. Dennis Dietz referred to the handout included in the Board materials.

COMMUNICATIONS

Ms. Shawna Lode referred to the handouts included in the Board materials and updated the Board on upcoming conferences and events, as well as news articles that would appear in the future.

MISCELLANEOUS ITEMS

Receive Comments from General Public

Treasurer Brown opened the public comment period and asked if anyone in the audience would like to address the Board.

Mike Carver, a member of Governor Vilsack's Task Force on Fatherhood, spoke on the importance of the father in the family unit and requested the Board consider an examination of the policies and programs of the Authority to ensure the support and encouragement of fathers in their children's lives.

Mr. Wright stated his concern on the recent news articles regarding Section 8 housing occupied by student athletes at the University of Iowa.

Ms. Davis stated the Des Moines Register had contacted the Authority for comment and under current HUD guidelines, many of those student athletes remain in the project. She said based on the reviews conducted by Authority staff, under the Section 8 project based housing contract, a student's scholarship is not considered income for determining eligibility. Ms. Davis stated that the current guidelines regarding eligibility for Section 8 housing for new applicants are stricter than those that existed previously.

Mr. Wright stated he understood Ms. Davis's explanation, nevertheless, he said it would appear additional time and attention to the issue is required for changes to be made to the eligibility requirements of the program. He said historically, there are waiting lists of up to two to three years for this needed subsidized housing for low and moderate income persons and families who reside in Iowa. Mr. Wright stated as the IFA focus is to assist low and moderate income persons, Board members have a stake in how this issue of important affordable housing subsidies is dealt with by HUD.

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Ms. Davis stated some of the changes made were due to the attention generated last year and the Authority has followed the contract with HUD and there was no mention of the Authority in the Des Moines Register article, which appeared on Tuesday, September 6, 2005.

There being no one else present wishing to address the Board, Treasurer Brown closed the public comment period.

Next Month

The next regular meeting will be held at 10:45 a.m. on Wednesday, October 5, 2005 in the Iowa Hospital Association Education Center, 100 East Grand Avenue, Des Moines.

ADJOURNMENT

There being no further business, on a motion by Mr. Adams and a second by Ms. Kramer, the September meeting of the Iowa Finance Authority Board of Directors adjourned at 2:31 p.m.

Dated this 5th day of October 2005.

Respectfully submitted:

Approved as to form:

Bret L. Mills
Executive Director
Iowa Finance Authority

Vincent C. Lintz, Chair
Iowa Finance Authority

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